

December 12, 2012

ITEM NO. B2

AUTHORIZATION TO EXERCISE ONE-YEAR OPTION FOR CONTRACT NUMBER 11037 WITH AON RISK SERVICES, INC. FOR BROKERAGE AND CONSULTING SERVICES

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute an amendment extending Contract No. 11037 with Aon Risk Services, Inc. for Insurance Brokerage and Consulting Services for the period of February 1, 2013 to January 31, 2014 in an amount not-to-exceed \$214,200.00.

The Executive Vice President (EVP), the Office of the General Counsel and the Office of Procurement have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

CORPORATE GOAL

Obtain the best representation and advice in the commercial property and casualty marketplace to ensure the preservation and protection of Authority financial assets.

FUNDING: General Fund

SOLICITATION SUMMARY

Vendor:

Aon Risk Services, Inc. of Illinois
Joe Klein
200 E Randolph Street
Chicago, IL 60601

Contract Type:

Professional Services

Original Contract Amount:

\$420,000.00

Amount of Contract Amendment No 1:

\$214,200.00

New Contract Amount:

\$634,200.00

Contract Term:

February 1, 2011 – January 31, 2013

Extend Contract Term No 1

February 1, 2013 – January 31, 2014

M/W/DBE Participation:

Direct:

MBE 20% WBE 0% DBE 0%

Indirect:

MBE 0% WBE 0% DBE 0%

Waiver (Yes/No)

Section 3:

Hiring 1 (#) Subcontracting (\$) Other Economic Opportunities (\$)

GENERAL BACKGROUND

Aon Risk Services, Inc. has been the Chicago Housing Authority's commercial insurance broker of record since 2006. Aon is the leading global provider of risk management, insurance and reinsurance brokerage, and human resources solutions and outsourcing services. Through its more than 61,000 colleagues worldwide, Aon unites to empower results for clients in over 120 countries via innovative and effective risk and people solutions and through industry-leading global resources and technical expertise.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

The EVP concurs with the recommendation to Exercise Option Year One with Aon Risk Services, Inc. of Illinois for Brokerage and Consulting Services.

The CEO/President recommends the approval to execute an amendment extending Contract 11037 with Aon Risk Services, Inc. for brokerage and consulting services for the period of February 1, 2013 through January 31, 2014, for an amount not-to-exceed \$214,200.00.

RESOLUTION NO. 2012-CHA-105

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated December 12, 2012, entitled "AUTHORIZATION TO EXERCISE ONE-YEAR OPTION FOR CONTRACT NUMBER 11037 WITH AON RISK CONSULTANT, INC. FOR BROKERAGE AND CONSULTING SERVICES".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to execute Amendment No 1 to Contract No 11037 with Aon Risk Services, Inc. to exercise the first one-year option to provide brokerage and consulting services for additional period, February 1, 2013 through January 31, 2014, for an amount not-to-exceed \$214,200.00.

These awards are subject to each Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

